tion of this section of the statute, which seems to be preferable, as the creditors have always the right to oppose the granting of the application for discharge, no matter when it is filed.

BANKRUPTCY—VOIDABLE PREFERENCES—PROCEEDS OF FIRE INSURANCE POLICY.—The Maple Valley Canning Co. was adjudged a bankrupt July 16, 1906. Appellant bank was one of the creditors. On Sept. 15, 1905, the Canning Co. was indebted to the Bank in the amount of $2038 and the bank had in its possession $1,500 of the company's funds. To secure the release of these funds the Canning Co. on this date promised to give the Bank a mortgage on its property. The $1,500 was accordingly surrendered, but the mortgage was not executed until April 10, 1906, which was within four months of the bankruptcy. At the time of the execution of the mortgage the bank demanded a policy of insurance on the company's property, and such policy was issued May 10th, 1906, the premium thereon being paid by the bank. The policy contained a mortgage clause whereby, in case of loss, the proceeds of the policy were to be paid to the mortgagee "as its interest may appear." The property was damaged by fire May 25th, 1906, and the bank, as mortgagee, collected $1,249 on the policy, which amount was credited to the Canning Co's. indebtedness. After adjudication, the trustee sues to have the amount collected on the policy declared a preference. *Held* that such fund was a preference and recoverable by the trustee. *Brown City Savings Bank* v. *Windsor* (C. C. A. 1912) 198 Fed. 28.

In *Morgan* v. *First Nat. Bank,* 145 Fed. 466, 76 C. C. A. 236, it was held that when a trust deed was executed by an insolvent within four months of his bankruptcy to secure an antecedent debt, without actual fraud but intended to create a preference and accepted as such by the creditor, it resulted in giving a preference. In the principal case there was no doubt that a preference was intended, and the main question was whether the proceeds of the policy stood on the same footing as the mortgage itself, which was clearly voidable by the trustee. The court, finding no authorities clearly in point, decided that the general purpose of the Bankruptcy Act would be best served by considering the transaction to be a preference, and was undoubtedly correct in its decision.

BILLS AND NOTES—LIABILITY OF IRREGULAR INDORSER—QUESTION FOR JURY.—Plaintiff was the payee of a promissory note, signed on its face by one Rogers, and having on its back the names of Conant and Flanders, written there by them before delivery of the note to the plaintiff. *Held,* that Conant and Flanders, being strangers to the note, became prima facie makers, but it was open to them to show that they were not makers, but indorsers, and so not holden, unless the plaintiff had taken steps to charge them as indorsers. *Woodsville Guaranty Savings Bank* v. *Rogers et al.* (Vt. 1912) 83 Atl. 537.

Before the enactment of the Negotiable Instrument Law the authorities were in hopeless conflict upon the liability of the irregular or anomalous indorser. There were five different holdings upon this point. 1 DANIEL NEG. INST. § 713 et seq. Many courts held, as in the principal case, that the liabil-